

**Beacon Hill Sewer District  
Commissioners' Meeting Minutes  
Wednesday, July 14, 2010**

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President Branch called the regular meeting to order at 5:02 pm. This meeting was held at the Cowlitz PUD Auditorium, 961 12<sup>th</sup> Avenue, Longview.

In attendance were: Commissioners Branch, Roden & Takko  
Alan Engstrom, Legal Counsel  
Kim Adamson, General Manager  
Jan Zintz, Recording Secretary  
Brian Wilson, Field Lead

It was moved by Dean Takko, seconded by Monte Roden, to approve the June 9, 2010 minutes as drafted. Motion carried.

**Manager Report.** The Manager Report, which was prepared for this meeting, was delivered to the Board at the meeting. A copy of said report is, by attachment, made a part of this permanent record. The Board reviewed the Manager Report packet prior to discussion of its topics.

**1. Project Bids.** Kim apprised the Board that there were two bid openings this week. Four bids were received for the Nevada and Lexington Sewer Pump Station Generator project, estimated to be \$250,000.00. The low qualified bid was submitted by Five Rivers Construction for \$199,605.53.

After brief discussion, it was moved by Dean Takko, seconded by Monte Roden, to award the Williams Finney Water Pump Station Upgrade project to the lowest qualified bidder, Five Rivers Construction in the amount of \$199,605.53, and to authorize a notice to proceed with the project. Motion carried.

Six bids were received for the Williams Finney Water Pump Station Upgrade, estimated between \$457,000.00 and \$584,000.00. The lowest bid was received from Davinci, Inc. of Woodland, Washington in the amount of \$331,946.00. It was moved by Dean Takko, seconded by Monte Roden, to award the Williams Finney Water Pump Station Upgrade Project to the lowest qualified bidder, which was Davinci, Inc, in the amount of \$331,946.00. Motion carried.

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Kim explained that the Eastside and Louise Sewer Pump Station project, which is currently out to bid, is estimated at between \$400,000.00 and \$650,000.00. Bid opening is scheduled for July 27, 2010. Dialogue proceeded on whether to call a special meeting immediately following the bid opening to award the bid, or whether to authorize Kim Adamson to award the project to the lowest qualified bidder so that construction can begin as soon as possible in order to take advantage of the remaining dry weather/summer building season.

The Board concurred with authorizing Kim Adamson to award the Eastside and Louise Sewer Pump Station project to the lowest qualified bidder, provided the bid is not more than the engineer's estimate.

As an informational item, Kim informed the Board that the easement to access the Eastside Pump Station will likely be rerouted as the result of this project. Staff currently accesses Eastside pump station through the driveway and back yard of Mark Enbusk. The new easement will incorporate a portion of the field behind the pump station, which is also owned by Mr. Enbusk, in exchange for access through the back yard. It will still be necessary to ingress and egress the station via the driveway.

**2. Summer Employee.** At the June meeting the Board approved hiring a summer helper to perform miscellaneous duties, i.e. moving lawns, painting, etc. during the dry weather season. Kim requested that the Board confirm the hiring of Cody Kelley as the District's temporary summer helper, at the rate of \$10.00 per hour. Cody began employment on June 21, 2010 at the rate of \$10.00 per hour and is scheduled to work through September 20<sup>th</sup>. He trained with Troy Smith for the first 2-1/2 weeks and is now able to go out on his own, dependent upon the task. He has earned both a flagger certificate and a first aid card as a condition of employment.

**3. Troy Smith.** Troy is in training this week for his Backflow Assembly Tester (BAT) certification in preparation to take a test scheduled for next Monday, July 19<sup>th</sup>. Kim noted that when Troy obtains the BAT certification we will be the only local municipality with a BAT on staff. Based on performance, she recommended that Troy receive an annual 5% salary increase for the added responsibilities that come with the certification, effective on the date he is certified. Brief discussion continued on the possibility of Troy being available to perform testing for other agencies. The Board agreed with the Manager's recommendation to incorporate an annual 5% salary increase, based on performance, to the District employee that holds a BAT certification as compensation for the added responsibility the certification will carry.

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**4. Williams Finney Financing.** A PWTF loan application to finance the planned upgrade for Williams Finney and Alderwood Water Pump Stations was submitted in May. Kim apprised the Board that the Williams Finney PS has since been experiencing an increased number of power outages which have resulted in the loss of pressure in mainlines and loss of water for customers. The station has deteriorated to the point of an emergency, is threatening public health and effecting customer service. She believes that the District will qualify for an emergency PWTF loan due to the urgency of the situation and that emergency loan monies could be received sooner than the regular PWTF loan process. An emergency loan application for \$500,000.00, which is the maximum allowed, was submitted last week. Staff will continue responding to outages until project funding is obtained.

Since the water system is currently owned by Cowlitz PUD, it will be necessary for County Commissioners to declare an emergency situation in order to qualify for emergency funding. Kim will provide the documentation needed to declare an emergency for action at their upcoming July 27<sup>th</sup> meeting. A signed copy of the document will be presented for BHS Board approval at the District's August meeting.

Attachment MR4 is an Interfund Reserve Fund Loan Agreement allocating an amount up to \$500,000.00 (maximum amount) in the form of a loan from the sewer fund to the water fund that would be used solely for the Williams Finney Pump Station upgrade. This loan will not be executed if the PWTF loan monies are received. The STAG grant is anticipated sometime next year and, if/when received, will help pay down the PWTF loan.

**5. Meeting Requested with County Commissioners.** We have tried to set up a meeting with Cowlitz County Commissioners to discuss medical benefits for Beacon Hill Sewer District employees, which vary from Cowlitz County medical benefits. As discussed at last month's meeting, the County has forced the District to comply with their policy rather than allowing the District to implement its policy. In between correspondence to set up a time agreeable with everyone, Kim spoke with Cary Balkin, Interwest Employee Benefits, and established an independent VEBA account for District employees. We anticipate moving all employee insurance benefits from the county next year. As an aside, staff will meet with Auditor Kris Swanson to discuss payroll and auditing problems that have been occurring frequently.

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**Claims & Payroll.** The Board reviewed the July monthly VISA statements, including detailed backup; and the monthly legal expenses.

Vouchers audited and certified by the auditing officers as required by RCW 42.24.080, and those reimbursement claims certified by auditing officers as required by RCW 42.24.090, have been made available to the Board.

As of this date, July 14, 2010, the Board, by unanimous voted, does approve those vouchers and payroll in the above lists and further discovered as follows: Shaded June claims paid after 6/09/10 in the amount of \$90,658.78; July claims paid 7/15/10, 7/16/10 & 7/31/10 in the amount of \$786,122.81; Payroll and benefits for PPE 6/30/10 in the amount of \$

**Lien Information.** The Board reviewed the monthly lien synopsis. It was moved by Monte Roden, seconded by Dean Takko, to confirm the filing of Lien Nos. 1360 and 1361 with the Cowlitz County Auditor. Motion carried.

The next regular meeting, to held at the Cowlitz PUD Auditorium, was scheduled for August 11, 2010. There being no further business, the meeting was adjourned at 5:50 PM.

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Ted A. Branch, President

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Monte J. Rodent, Secretary

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Dean Takko, Commissioner